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**FILED**

**JUL 12 2010**

Department of Insurance  
State of Idaho

**BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE**

**STATE OF IDAHO**

In the Matter of:

GROUP HEALTH OPTIONS, INC.,

Certificate of Authority No. 2788  
NAIC ID No. 47055.

Docket No. 18-2631-10

**ORDER GRANTING REQUEST FOR  
BLOCK NON-RENEWAL AND FOR  
WITHDRAWAL FROM THE SMALL  
GROUP HEALTH BENEFIT PLAN  
MARKET**

WHEREAS, GROUP HEALTH OPTIONS, INC. ("GROUP HEALTH") submitted to the Idaho Department of Insurance, by letter dated June 4, 2010, its request for permission to block non-renew all of its small group health benefit plans consisting of thirty-eight (38) group policies pursuant to Idaho Code § 41-4707(1)(h), and its intent to discontinue the offering of all small group health benefit plans in Idaho effective January 1, 2011;

WHEREAS, GROUP HEALTH has represented to the Department that it will continue to service all of its existing small group health benefit policies until such time as the policies would be due for renewal, which is on or after January 1, 2011;

WHEREAS, GROUP HEALTH has indicated that it will provide reasonable notice of not less than one hundred eighty (180) days to policyholders affected by the non-renewals sought and allowed by this order;

WHEREAS, in light of Idaho Code §§ 41-1841 and 41-4707, good cause appearing therefor;

NOW, THEREFORE, IT IS HEREBY ORDERED that GROUP HEALTH is allowed, pursuant to Idaho Code §§ 41-1841 and 41-4707(1)(h), to effectuate a block non-renewal of its small group health benefit plans in Idaho, which action will affect thirty-eight (38) policies, beginning no sooner than January 1, 2011. GROUP HEALTH is to provide reasonable notice of not less than one hundred eighty (180) days to policyholders affected by the non-renewals allowed by this order in accordance with the policies and Idaho Code § 41-4707;

IT IS HEREBY FURTHER ORDERED that, pursuant to Idaho Code § 41-4707(1)(h), GROUP HEALTH is permitted to withdraw from the small group health benefit plan market in Idaho effective January 1, 2011;

IT IS HEREBY FURTHER ORDERED that GROUP HEALTH is prohibited from offering and writing any new business in the small employer health market in Idaho prior to June 4, 2015, pursuant to Idaho Code § 41-4707(2). This order is a final order and is effective immediately.

#### **NOTIFICATION OF RIGHTS**

This is a final order of the agency. Any party may file a motion for reconsideration of this final order within fourteen (14) days of the service date of this order. The agency will dispose of the petition for reconsideration within twenty-one (21) days of its receipt, or the petition will be considered denied by operation of law. *See* Section 67-5246(4), Idaho Code.

Pursuant to Sections 67-5270 and 67-5272, Idaho Code, any party aggrieved by this final order or orders previously issued in this case may appeal this final order and all previously issued orders in this case to district court by filing a petition in the district court of the county in which:

- i. A hearing was held,
- ii. The final agency action was taken,
- iii. The party seeking review of the order resides, or operates its principal place of business in Idaho, or
- iv. The real property or personal property that was the subject of the agency action is located.

An appeal must be filed within twenty-eight (28) days of (a) the service date of this final order, (b) an order denying petition for reconsideration, or (c) the failure within twenty-one (21) days to grant or deny a petition for reconsideration, whichever is later. *See* Section 67-5273, Idaho Code. The filing of an appeal to district court does not itself stay the effectiveness or enforcement of the order under appeal.

DATED and EFFECTIVE this 17<sup>th</sup> day of July 2010.

  
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WILLIAM W. DEAL, Director  
Idaho Department of Insurance

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that I have on this 19th day of July 2010, caused a true and correct copy of the foregoing order to be served upon the following by the designated means:

Group Health Options, Inc.  
320 Westlake Ave. N, Suite 100  
Seattle, WA 98109-5233

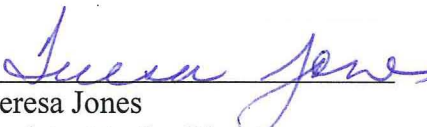
- ☒ first class mail
- ☐ certified mail
- ☐ hand delivery
- ☐ via facsimile

Group Health Options, Inc.  
Susanne Towill, Executive Director  
12401 E. Marginal Way S.  
Tukwila, WA 98168-2559

- ☒ first class mail
- ☐ certified mail
- ☐ hand delivery
- ☐ via facsimile

Thomas A. Donovan  
Deputy Attorney General  
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700 W. State Street, 3<sup>rd</sup> Floor  
P.O. Box 83720  
Boise, ID 83720-0043

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Teresa Jones  
Assistant to the Director